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DoubleClick Sells Its Media Sales Business to L90

By BOB TEDESCHI

DoubleClick, the Internet advertising company, has sold its North American media sales business to **L90**, a former competitor in that business, for \$9.4 million in cash and stock and possibly another \$6 million if performance thresholds are met, the companies said on Sunday. In addition, L90 will change its name to **MaxWorldwide** when the deal closes, which the companies expect to happen early this month.

The deal solidifies an emerging strategy for both DoubleClick and L90, analysts said, in that it moves DoubleClick further away from advertising sales and allows it to concentrate on its advertising technology and data analysis tools. L90, meanwhile, has been focusing more on ad sales, and less on advertising technology.

L90 had for years operated in a manner similar to DoubleClick, in that it sold online ad-delivery and tracking technology to advertisers,

while also selling advertising inventory on behalf of a network of hundreds of Internet publishers. Last year, L90 sold its ad-delivery and tracking technology, adMonitor, to DoubleClick.

Including the 850 sites that DoubleClick used to sell online ads on behalf of — among others Edgar Online and Dilbert.com — L90 now represents a network of more than 1,000 sites, the company said.

Analysts said the move was good for both companies. “The network ad model has not been terribly profitable for anyone, much less someone with DoubleClick’s scale,” said Rudy Grahn, an analyst with the online consulting company Jupiter Research. “And since this is such a bad ad market, and DoubleClick is focusing on profitability, it’s right for them to jettison this business.”

For L90, Mr. Grahn said, this deal represented a chance “to buy in at a much better price than they would have been able to pay once the market rebounds.”

L90 will have a new stock symbol,

MAXW, and is moving its headquarters from Los Angeles to New York. It said in a news release that with DoubleClick’s North America sites now included in its network, its advertisers can reach about the same number of Internet surfers as they would on AOL, MSN and Yahoo.

But Jim Nail, advertising analyst with Forrester Research, a technology consulting firm, said that it would be a mistake for advertisers to consider L90 the peer of the big portals. “What advertisers want is to reach a particular kind of target audience,” he said. “In an ad network with several hundred sites, even if you group them into auto, or women’s sites, the range of content means there’s no consistent audience.”

On AOL, by contrast, the content breakdown is meant to draw certain types of consumers, like car buyers, for instance, who better suit advertisers’ needs, Mr. Nail said. Still, L90 “can probably make a nice little business” from selling ads on its network after the DoubleClick deal.